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ABSTRACT

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Title	SUPPLIER PROVIDED AUTOMATIC WAREHOUSE REPLENISHMENT SOLUTIONS IN PHARMACEUTICAL DIAGNOSTICS INDUSTRY		
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Abstract

In today's global markets it is very important for a manufacturing company to be able to manage its supply chain operations effectively. In addition to traditional supply chain management, better supply chain coordination can also be achieved by assessing current distribution and warehousing models. Therefore, this study focuses on supply and warehousing solutions for a manufacturing company operating in the pharmaceutical diagnostics industry. Moreover, the study is limited to supplier provided automatic replenishment programs. Thus, the main research question of this study is what kind of new automatic replenishment supply model would suite both case customer and supplier needs and capabilities?

The research data was collected during 2006 through qualitative, semi-structured theme interviews within case customers. In addition, case company internal documentation was used in order to receive more detailed data from various case company processes. Also, interviews within case company personnel were done. The results of this study are divided into two parts. First, the case company was studied in order to find out its current supply chain processes as well as any disabling and enabling factors of implementing new automatic replenishment program. Second, the case customers were studied in order to find out how well their processes would suite new supply model and how much interest there is to move towards supplier provided automatic replenishment programs.

The study showed that the case company had a great wish to improve supply chain operations and thus reducing costs and there were means to do it, but there were also some organizational trends and heritage that are preventing totally new models to be implemented. Also, the industry in which the case company is working has some specific laws and features that do not allow implementing traditional supply chain models. From the customer point of view, the suitability of any automatic replenishment model was also studied. All of the customers were very similar from a logistics point of view. Some of the customers were already using automatic replenishment programs but in very low technical level. In majority of the cases, the customer was working in larger hospital units and was therefore limited to influence any supply chain related issues. The study concludes that new automatic replenishment model can be implemented but starting from a simple and low technical level model. After implementation and testing, there is a possibility to upgrade the model into more demanding system.

Key words	suppliers, warehousing, supply chain, diagnostics, laboratories
Further information	